

# City of Kirkland

## Request for Proposal

### Property Management Services City of Kirkland Rental Properties

Job # 56-15-FAC

Issue Date: September 17, 2015

Due Date: October 1, 2015

# **REQUEST FOR PROPOSALS**

The City of Kirkland is seeking proposals from qualified, professional property management firms to provide property management services for the City of Kirkland's rental properties which include single family homes, commercial property and apartment complexes (Attachment B).

## **RFP for Property Management Services**

The City of Kirkland, Washington request interested parties submit proposals for the above referenced Request for Proposal.

### **Project Description**

The purpose of this RFP is to solicit proposals from vendors to act as the exclusive leasing broker and agent for properties set forth in this document (Attachment B), with the responsibilities and upon the terms and conditions set forth herein. The ideal vendor(s) will have experience marketing, leasing and maintaining single family, multi-unit and commercial properties.

### **RESPONSE REQUIREMENTS**

- Qualifications and Experience – summarize your firm's qualifications, experience and special expertise in providing the type of services identified in the project description, include resumes of key personnel.
- Project Approach – provide a brief overview of your property management philosophy, methods and practices and how they would meet the needs identified in the requested services section. Describe how communication and reporting would occur between your firm, the tenants and the City.
- Pricing Methodology – provide base property management fees expressed as a fixed monthly fee for property management services. Any additional fees (above the fixed fee) should be itemized as a separate line item and priced as a cost reimbursement plus administrative markup with the markup clearly identified.
- References – include a list of references (including contact names, telephone numbers and email addresses) of at least two (2) recent or current properties managed by your firm within the last four years of the same size and nature. The City reserves the right to contact references without prior notification.
- Proposals must be made in the official name of the firm or individual under which the business is conducted (showing official business address) and **MUST BE SIGNED** by a person duly authorized to legally bind the person, partnership, company or corporation submitting the proposal. A corporation must indicate place and date of incorporation.
- A statement to the effect that respondent understands and agrees to obtain a City of Kirkland business license as a requirement for performing these services.
- A statement indicating the number of calendar days the proposal shall be valid. (The City's minimum number of days is 60.)

## **REQUESTED SERVICES**

Currently the City of Kirkland owns rental properties that include: 4 single family homes, 1 commercial building and 15 apartment units. We are seeking a property management firm to rent, lease and manage these properties.

The services we are requesting include:

- setting rents according to market demand and prepare market analysis of each property establishing fair market rental value during each rental period
- providing tenants with 24 hour emergency telephone contact numbers for emergency repairs
- ordering repairs, services and maintenance on the various buildings, appurtenances and grounds as requested by the City of Kirkland
- yearly inspection of properties, including management plans and recommendation for maintenance needed
- advertise properties for lease, screen and select tenants using the following tools:
  - credit application, personal and business reference checks and personal interviews
- prepare and execute lease agreements using only lease forms approved by the City of Kirkland
- conduct a minimum of two exterior and interior inspections per year of the properties, providing a written report of major deficiencies with photos to the City of Kirkland
- determine and verify insurance requirements for tenants when appropriate
- re-key locks for new tenants when appropriate
- change electrical, gas, garbage, sewer & water billing as required between property occupancies
- acknowledge and comply with the provisions of the landlord/Tenant Act of Washington State particularly concerning deposits. Vendor will collect a deposit from every tenant, additional deposits required for properties allowing animals
- collect rent and late charges as needed
- inspect the properties, in the company of the renter, prior to move in and complete a detailed inspection report that shall be provided to the City of Kirkland
- conduct a final inspection when the property is vacated, with a move out inspection report
- provide a monthly report/statement for each individual property clearly indicating the income received, income withheld for services, what those services are, vacancies, turn-over schedule and budget for unit/property turn over. The City reserves the right to request further information from the chosen property management professional.

## **DUE DATE/TIME**

The City of Kirkland - Purchasing Division must receive proposals no later than said date and time. Proposals received after such time will be returned unopened. Responses maybe mailed or hand delivered to the City of Kirkland, Purchasing Division, 123 5<sup>th</sup> Ave. Kirkland, WA 98033

Proposals received later than **4:00 PM on October 1, 2015 will not** be considered.

A non-mandatory informational meeting will be held on September 22, 2015 at 10 a.m. in the City Council Chambers.

The City of Kirkland reserves the right to reject any and all proposals and to waive irregularities and informalities in the submittal and evaluation process. The RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of a proposal. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services.

The successful vendor must comply with the City of Kirkland equal opportunity requirements. . The City of Kirkland assures that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. The City of Kirkland further assures that every effort will be made to ensure non-discrimination in all of its programs and activities, whether those programs are federally funded or not.

### **RFP OFFICIAL CONTACT**

Upon release of this RFP, all vendor communications concerning the overall RFP should be directed to the RFP Coordinator listed below. Any oral communications will be considered unofficial and non-binding on the City. Vendors should rely only on written statements issued by the RFP Coordinator.

Name: Chris Dodd, Facilities Services Manager  
Address: 123 5<sup>th</sup> Ave, Kirkland, WA, 98033  
Telephone: (425) 587-3931  
E-mail: cdodd@kirklandwa.gov

### **PROPOSAL PREPARATION**

#### **General information**

**It is important that all bidders read this section carefully. Failure to comply with these instructions may result in your proposal being removed from consideration by the City.**

### **PROPOSAL SUBMISSION**

The following provides specific instructions for submitting your proposal.

***Due Date: Proposals must be received by the Purchasing Agent no later than October 1, 2015, at 4:00 p.m. (Pacific Time).*** Late proposals will not be accepted nor will additional time be granted to any vendor unless it is also granted to all vendors. Proposals sent by email must be time stamped as received by Kirkland's system by 4:00 p.m. Emailed proposals must be in either MS Word or PDF format. All proposals and accompanying documentation will become the property of the City and will not be returned.

**Number of copies:** An electronic copy of the vendor's proposal, in its entirety, must be received as specified above. The City will **not** accept facsimile.

As an alternate to emailing proposals, proposals may be delivered to the following address:

<b>Address for</b>	<b>City of Kirkland</b>
<b>Submission:</b>	<b>Attn: Purchasing Agent</b>
	<b>RFP Property Management Services, 56-15-FAC</b>
	<b>123 5<sup>th</sup> Ave</b>
	<b>Kirkland, WA 98033</b>

## **EVALUATION PROCEDURES**

The RFP coordinator and other staff will evaluate the submitted proposals.

The evaluators will consider how well the vendor's proposal meets the needs of the City as described in the Project description of this RFP. It is important the responses be clear and complete so the evaluators can adequately understand all aspects of the proposal. The evaluation process is not designed to simply award the contract to the lowest cost vendor. Rather, it is intended to help the City select the vendor with the best combination of attributes, including price and demonstrated experience providing comprehensive property management services for single family, multi-unit and commercial properties. The City reserves the right to require a subset of finalist vendors make a presentation to a selection team.

Following selection, the City of Kirkland and the selected firm will negotiate the services to be provided. Any agreement resulting from acceptance of a proposal by the City shall be in the form supplied by the City, similar to the City's standard Consulting Services Agreement. The City reserves the right to reject any proposed agreement or contract that does not conform to the specifications in the RFP and which is not approved by the City Attorney's office.

The City reserves the right to renew the agreement for one two (2) year period. Should renewal of this agreement occur, the City would consider a request for price increase not to exceed the local Consumer Price Index (CPI-W) for the most recent completed year.

## **Required Proposal Response**

The proposal must include the following:

1. Cover Letter
2. Proposal Summary
3. Acceptance of Terms and conditions
4. General Vendor Information
5. Customer Reference
6. Fee Schedule

## **ACCEPTANCE OF TERMS AND CONDITIONS**

Use this form to indicate exceptions your firm takes to any terms and conditions listed in this RFP, including the City's standard Professional Services Agreement (Attachment A). Proposals which take exception to the specifications, terms or conditions of this RFP or offer substitutions shall explicitly state the exception (s), reason(s) therefore, and language substitute(s) (if any) in this section of the proposal response. Failure to take exception(s) shall mean the proposer accepts the conditions, terms and specifications of the RFP.

If your firm takes no exception to the specifications, terms, and conditions of this RFP please indicate so.

By: \_\_\_\_\_

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

For: \_\_\_\_\_

## **GENERAL VENDOR INFORMATION**

1. Name of parent company
2. Length of time in business
3. Length of time in business of providing proposed services
4. Gross revenue for the prior fiscal year (in US dollars)
5. Percentage of gross revenue generated by proposed services
6. Total number of clients
7. Total number of clients in the proposed service area
8. Number of public sector clients
9. Number of full-time personnel
10. Where is your headquarters located, do you have any field offices, if so where
11. Which office would service this account
12. Please provide a list of references that can verify the financial standing of your company.

## **FEE SCHEDULE**

The Proposal must contain a description of your firm's fee structure, estimate management fees for services you will provide and how you propose to bill for these services. Provide a sample project budget for each building to be managed



## **PROFESSIONAL SERVICES AGREEMENT**

## **Attachment A**

Job Name and Number

The City of Kirkland, Washington, a municipal corporation ("City") and \_\_\_\_\_, whose address is \_\_\_\_\_ ("Consultant"), agree and contract as follows:

### **I. SERVICES BY CONSULTANT**

- A. The Consultant agrees to perform the services described in Attachment \_\_\_\_ to this Agreement, which attachment is incorporated herein by reference.
- B. All services and duties shall be conducted and performed diligently, completely and in accordance with professional standards of conduct and performance.

### **II. COMPENSATION**

- A. The total compensation to be paid to Consultant for these services shall not exceed \$\_\_\_\_\_, as detailed in Attachment \_\_\_\_\_.
- B. Payment to Consultant by the City in accordance with the payment ceiling specified above shall be the total compensation for all work performed under this Agreement and supporting documents hereto as well as all subcontractors' fees and expenses, supervision, labor, supplies, materials, equipment or the use thereof, reimbursable expenses, and other necessary incidentals.
- C. The Consultant shall be paid monthly on the basis of invoices submitted. Invoicing will be on the basis of percentage complete or on the basis of time, whichever is applicable in accordance with the terms of this Agreement.
- D. The City shall have the right to withhold payment to Consultant for any work not completed in a satisfactory manner until such time as Consultant modifies such work to the satisfaction of the City.
- E. Unless otherwise specified in this Agreement, any payment shall be considered timely if a warrant is mailed or is available within 45 days of the date of actual receipt by the City of an invoice conforming in all respects to the terms of this Agreement.

### **III. TERMINATION OF AGREEMENT**

The City or the Consultant may terminate this Agreement at any time, with or without cause, by giving ten (10) days' notice to the other in writing. In the event of termination, all finished or unfinished reports, or other material prepared by the Consultant pursuant to this Agreement, shall be provided to the City. In the event the City terminates prior to completion without cause, consultant may complete such analyses and records as may be necessary to place its files in order. Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on the project prior to the date of termination, not to exceed the payment ceiling set forth above.

### **IV. OWNERSHIP OF WORK PRODUCT**

- A. Ownership of the originals of any reports, data, studies, surveys, charts, maps, drawings, specifications, figures, photographs, memoranda, and any other documents which are developed, compiled or produced as a result of this Agreement, whether or not completed, shall be vested in the City. Any reuse of these materials by the City for projects or purposes

other than those which fall within the scope of this contract or the project to which it relates, without written concurrence by the Consultant will be at the sole risk of the City.

- B. The City acknowledges the Consultant's plans and specifications as instruments of professional service. Nevertheless, the plans and specifications prepared under this Agreement shall become the property of the City upon completion of the work. The City agrees to hold harmless and indemnify consultant against all claims made against Consultant for damage or injury, including defense costs, arising out of any reuse of such plans and specifications by any third party without the written authorization of the Consultant.
- C. Methodology, materials, software, logic, and systems developed under this contract are the property of the Consultant and the City, and may be used as either the consultant or the City sees fit, including the right to revise or publish the same without limitation.

## **V. GENERAL ADMINISTRATION AND MANAGEMENT**

The \_\_\_\_\_ for the City of Kirkland shall review and approve the Consultant's invoices to the City under this Agreement, shall have primary responsibility for overseeing and approving services to be performed by the Consultant, and shall coordinate all communications with the Consultant from the City.

## **VI. COMPLETION DATE**

The estimated completion date for the Consultant's performance of the services specified in Section I is \_\_\_\_\_.

Consultant will diligently proceed with the work contracted for, but consultant shall not be held responsible for delays occasioned by factors beyond its control which could not reasonably have been foreseen at the time of the execution of this Agreement. If such a delay arises, Consultant shall forthwith notify the City.

## **VII. SUCCESSORS AND ASSIGNS**

The Consultant shall not assign, transfer, convey, pledge, or otherwise dispose of this Agreement or any part of this Agreement without prior written consent of the City.

## **VIII. NONDISCRIMINATION**

Consultant shall, in employment made possible or resulting from this Agreement, ensure that there shall be no unlawful discrimination against any employee or applicant for employment in violation of RCW 49.60.180, as currently written or hereafter amended, or other applicable law prohibiting discrimination, unless based upon a bona fide occupational qualification as provided in RCW 49.60.180 or as otherwise permitted by other applicable law. Further, no person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Agreement in violation of RCW 49.60.215 or other applicable law prohibiting discrimination.

## **IX. HOLD HARMLESS/INDEMNIFICATION**

Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from its negligence or breach of any of its obligations in performance of this Agreement.

In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the



indemnification provided herein constitutes the Consultant's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

## **X. LIABILITY INSURANCE COVERAGE**

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. A failure to obtain and maintain such insurance or to file required certificates and endorsements shall be a material breach of this Agreement.

Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

### **A. Minimum Scope of Insurance**

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

### **B. Minimum Amounts of Insurance**

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

### **C. Other Insurance Provisions**

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Consultant's insurance and shall not contribute with it.

2. The Consultant shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation, within two business days of their receipt of such notice.

**D. Acceptability of Insurers**

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

**E. Verification of Coverage**

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the work.

**F. Occurrence Basis**

Any policy of required insurance shall be written on an occurrence basis.

**XI. COMPLIANCE WITH LAWS/BUSINESS LICENSE**

The Consultant shall comply with all applicable State, Federal, and City laws, ordinances, regulations, and codes. Consultant must obtain a City of Kirkland business license or otherwise comply with Kirkland Municipal Code Chapter 7.02.

**XII. FUTURE SUPPORT**

The City makes no commitment and assumes no obligations for the support of Consultant activities except as set forth in this Agreement.

**XIII. INDEPENDENT CONTRACTOR**

Consultant is and shall be at all times during the term of this Agreement an independent contractor and not an employee of the City. Consultant agrees that he or she is solely responsible for the payment of taxes applicable to the services performed under this Agreement and agrees to comply with all federal, state, and local laws regarding the reporting of taxes, maintenance of insurance and records, and all other requirements and obligations imposed on him or her as a result of his or her status as an independent contractor. Consultant is responsible for providing the office space and clerical support necessary for the performance of services under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance of unemployment compensation programs or otherwise assuming the duties of an employer with respect to the Consultant or any employee of Consultant.

**XIV. EXTENT OF AGREEMENT/MODIFICATION**

This Agreement, together with all attachments and addenda, represents the final and completely integrated Agreement between the parties regarding its subject matter and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument properly signed by both parties.

**XV. ADDITIONAL WORK**

The City may desire to have the Consultant perform work or render services in connection with the project other than provided for by the express intent of this contract. Any such work or services shall be considered as additional work, supplemental to this contract. Such work may include, but shall not be limited to, \_\_\_\_\_. Additional work shall not proceed unless so authorized in writing by the City.

Authorized additional work will be compensated for in accordance with a written supplemental contract between the Consultant and the City.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates written below:

CONSULTANT:

CITY OF KIRKLAND:

By: \_\_\_\_\_

By: \_\_\_\_\_  
Marilynne Beard, Deputy City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_